COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

* * * * *

In the Matter of:

THE NOTICE OF PURCHASED GAS)
ADJUSTMENT FILING OF PENDLETON)
COUNTY WATER DISTRICT, GAS) CASE NO. 5988-TT
DIVISION)

ORDER

On March 29, 1974, the Commission issued its Order in Case No. 5988, approving certain adjustments in rates and providing under certain conditions for the further adjustment of such rates when the wholesale cost of gas is increased or decreased.

On September 21, 1981, Pendleton County Water District, Gas Division ("Applicant") notified the Commission that its wholesale cost of gas would be decreased by its supplier, Columbia Gas. Transmission Corporation ("Transmission"), effective September 1, 1981, and submitted with its notice certain information in compliance with this Commission's Order of March 29, 1974. The notice set out certain revisions in rates which the Applicant proposed to place in effect, said rates being designed to decrease the cost of natural gas of its supplier in the amount of \$12,866.

After reviewing this evidence of record and being advised, the Commission is of the opinion and finds that:

The Applicant's supplier, Transmission, on September 15,
 1981, filed with the Federal Energy Regulatory Commission ("FERC")

for decreased rates to become effective September 1, 1981, and that the decrease sought by the Applicant reflects Transmission's rates so filed.

2. The Applicant's adjustment in rates under the purchased gas adjustment clause approved by the Commission in its Order in Case NO. 5988, dated March 29, 1974, is fair, just, and reasonable, in the public interest and should be effective with gas supplied on and after the date the decreased cost of wholesale gas becomes effective.

IT IS THEREFORE ORDERED that said purchased gas adjustment sought by the Applicant and adjusted as aforesaid mentioned be and the same is hereby approved, to be effective, with gas supplied on and after the date the decreased cost of wholesale gas becomes effective ("acceptance" by FERC).

IT IS FURTHER ORDERED that for the purpose of the future application of the purchased gas adjustment clause of the Applicant the base rate for purchased gas shall be:

Columbia Gas Transmission Corporation

Commodity

Schedule SGS

\$3.5726 per MCF

IT IS FURTHER ORDERED that the information furnished this Commission by Applicant on September 21, 1981, constitutes full compliance with the Commission's Order in Case No. 5988, and any other information ordinarily required to be filed under the Commission's Regulations is hereby waived.

IT IS FURTHER ORDERED that within 30 days after the date the decreased cost of gas becomes effective, Applicant shall file

with this Commission its revised tariff sheets setting out the rates approved herein.

Done at Frankfort, Kentucky, this 21st day of October, 1981.

PUBLIC SERVICE COMMISSION

Chairman

Vice Chairman

Commissioner

| ATTEST: | | |
|-----------|------|--|
| | | |
| | | |
| Secretary | | |

APPENDIX A

APPENDIX TO AN ORDER OF THE PUBLIC SERVICE COMMISSION IN CASE NO. 5988-TT DATED OCTOBER 21, 1981

The following rates are prescribed for the customers in the area served by Pendleton County Water District, Gas Division. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of the Commission prior to the date of this Order.

| RATES: | Monthly | Rates per Unit | |
|--------------------------------------|---|--|--|
| Residential: | | | |
| First Next Next Over | ,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,, | \$5.40 0.4824 0.4571 0.4521 | |
| Commercial: | | | |
| Next Next Over | 10,000 cu. ft. per hundred 10,000 cu. ft. hundred 10,000 cu. ft. hundred 50,000 cu. ft. per hundred Bill \$5.95 per hundred | \$0.4521 0.4471 0.4421 0.4371 0.4321 | |
| All gas per Mcf | | \$4.2801 | |
| Special Contracts: | | | |
| Interruptible Service: | | | |
| Griffin Industries, Inc., Per Mcf | | \$3.8111 | |
| Firm Gas Service: | | | |
| MAGO Construction Co., Inc., Per Mcf | | \$4.024 | |